



Mr. Les Johnson  
Director  
Food Distribution Division  
FNS, USDA  
3101 Park Center Drive  
Alexandria, VA 22302

Dear Les:

Pierre Foods appreciates the considerable challenge and effort involved in making improvements to the donated food program. As a long time participant in the program, we have seen many changes over the years and have tried to help initiate and facilitate many changes as well. We value the opportunity to function as a constructive critic as well as a cheerleader.

Pierre Foods applauds the recommendations to improve procurement and specifications. We support expansion of long-term contracts for donated food purchases. Based on commercial purchase procedures and consideration for changes in the wholesale food industry over the last 20 years, this change could have significant positive effects to increase reliability of shipments, increase bidder response and even out the flow of commodities.

Likewise the recommendation to test best value contracting should improve the quality of donated foods in addition to some of the delivery issues. However, I noted that quality, or the lack thereof was not a problem addressing identified in Section 1 of the proposal.

Pierre also supports the plan to update product specifications. While the discussion in the proposal for change is brief, there is an implication that USDA might consider changes to the fat content of donated meats to more closely match the products processors purchase. This would be highly desirable for product consistency between commodity and commercial items.

For decades Pierre Foods has conscientiously complied with USDA strict policies for special labeling of product containing donated foods. It is puzzling to see the Department suddenly so willing to forgo the previous means for tracking and accountability of donated foods. I urge the Department to institute commercial labeling cautiously. There is a pilot project to test the inventory and tracking of donated foods with commercial labels. The pilot test should be completed before being expanded for SY 2000-2001.

## Commodity Processing

Pierre Foods has worked diligently for voluntary standardized processing contracts though out the country for years. We agree with the concept of some type of national contract and participated in the National meeting May 3 to work on the details. Any type of national system should maintain or expand local school district decision-making. A system that would limit end product availability will not serve either schools or processors well.

Pierre Foods agrees with the efforts to eliminate unnecessary paperwork associated with requesting certain commodities be "substitutable" as permitted by current regulations. (7 CFR 250.30 (f)(1) and (4). I presume that USDA will have to promulgate changes to the regulation in order to implement that change. Pierre is less sure of implementing this change for meat and poultry. Of primary concern is USDA's unwillingness to assume liability or assign liability to the supplier, if contaminated USDA product, further contaminates commercial product. I understand that the Department plans to pilot test applying 100% substitutability of meat and poultry before implementing the changes across the board; however, that position is not stated clearly in the Proposal for Change.

In light of this concern, we have also proposed several pilots under the current limitation of non- substitutability, which would address schools concerns to assure dependability of service in terms of timing of delivery and quantity of finished goods. We ask you to seriously consider these proposals.

Pierre Foods is working with the California Credit Pilot to test the "seamless" concept. This would be quite a dramatic change and we support the wisdom of the Department in testing the concept before attempting to implement it on a wide-scale basis. The fact that the seamless concept is inextricably linked to 100% substitutability should not be overlooked.

In general, I was surprised to see the work of the CHART team distilled into three recommendations and incorporated into the work of the CORE team. All of these recommendations are needed and long overdue. As chair of the ACDA Food Safety/Quality Assurance Committee, this is an area of at most concern.

The Department's vision for creating computer connectivity at the school districts level is visionary. Technology should provide assistance at all levels of the food distribution network including more direct communications with processors. The Bauer Meat recall exposed the convoluted system that currently exists where the processors is supposed to communicate with the state, to the region, to the national office – up to fifty times, instead of being able to work directly with

USDA. Please continue work to improve communications on an ongoing basis. Do not wait for the new computer system to fix everything.

Pierre Foods would be pleased to participate in a task force to examine requirements and eliminate redundant paperwork or low/non value-added reporting. Pierre Foods supports the effort to carefully evaluate the role and function of the many steps involved in the planning, ordering, purchase and delivery. The value of clearly identifying the function and benefit of each step in the food distribution process should not be lost and I urge you to include that process in carrying out the general goals to improve the commodity program.

Again, my personal and sincere admiration for your leadership and commitment to this valuable process.

Respectfully,

A handwritten signature in cursive script that reads "Jean Harris".

Jean D. Harris, Ph.D.  
Pierre Foods

CC: Norb Woodhams, *President*